

The logo for ITCO, consisting of the letters 'ITCO' in a bold, white, sans-serif font, enclosed within a white rounded rectangular border.

THE JOURNAL OF THE INTERNATIONAL TANK CONTAINER ORGANISATION

MARCH/APRIL 2024

President's Report

Dear ITCO Members,

Much to ponder as the first quarter of 2024 closes.

In the first instance, our thoughts go to the people impacted by the tragic accident in Baltimore, and the far-reaching affect this will have on many livelihoods and the economy in the Baltimore harbour area. I am less than impressed by some of the reports I am reading on social media where companies are already trying to exploit this event for commercial advantage. I wasn't "born yesterday" - so it doesn't come as a surprise...but I'm still disappointed by this sort of behaviour.

For those of us working in the Supply Chain environment, there has been no shortage of Black Swan events in the past few years. This has definitely elevated Supply Chain into the C-Suite agenda, but not necessarily for the right reasons. Unfortunately, the 99% of shipments delivered on time, in full, in spec (OTIFIS) which are taken for granted, are let down by the last failure. The events in Baltimore will prove again, just like during the pandemic, that in these cases people will be the major differentiator in keeping supply chains functioning.

However, there's lots of good news to report. Registrations for the ITCO Depot Meeting in Rotterdam, 18/19 April, have surpassed expectations, and the topic has clearly achieved resonance amongst the members. We have an excellent line-up of speakers addressing topics of immediate interest. I want to take this opportunity of thanking Kate and Patrick for all the behind-the-scenes work in ensuring another successful ITCO event, and Sahreej for their sponsorship of refreshments.

The ITCO transition is also making progress.

The Management Committee has already met once, and a further meeting is scheduled for early April. Work is on-going in terms of redefining the ITCO Vision and Mission, and setting our plans and objectives for the next 3-5 years. More on this to follow!

The ITCO village at the Shanghai Transport and Logistics exhibition in June is 'sold-out' and I am looking forward to meeting exhibitors, as well as representatives of CCIA, and the TCDA during that week. My thanks to Jee and CIMC for their support in setting up the local meetings!

Finally, and unfortunately, I have to close on a disappointing note. It has been reported that some ITCO members are distributing and selling fake original equipment to tank manufacturers and depots. Apart from the questionable ethics of this practice, there is also a more serious safety and liability aspect - and we would ask that any members involved in such a practice cease and desist immediately. Alternatively, we have no choice but to cancel the offending companies' ITCO membership. We trust that any impacted members will respond accordingly, and that such an action will not be necessary.

Thank you for your continued support.

Paul Gooch

President

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Industry Prepares to Meet at ITCO Depot Meeting

Over 130 members have registered to participate at the ITCO Tank Container Depot Meeting, taking place at the Hilton Hotel, Rotterdam on 18/19 April.

This clearly reflects a strong demand from Members to focus on issues relating to tank depots services.

The Meeting will commence with a Networking Reception on Thursday 18 April, followed by a full-day conference programme on the following day.

Topics to be covered include:

- Realities and Challenges of the Tank Container Depot Industry
- Depots: The Tank Container Operator perspective
- Safety: Industry's Top Priority
- Development of a global ITCO Tank Container Depot Audit Scheme
- Efficient Communications – development of digital standards
- Depot coding, geofencing and the BoxTech Global Container Database
- Guiding Principles of Depot/Client Management'
- Enhancing Safety: Video and Virtual Reality Technology
- Recycling: Tides of transition - Sustainable development
- ITCO Project: Disposal of seals and gaskets; and update on PFAS regulatory process

For full Conference Programme, Practical Details and Registration Link, click here: [ITCO ROTTERDAM](https://www.itco-rotterdam.com)

Plan now to visit the ITCO Tank Container Village at transport logistic China

The *transport logistic China 2024* exhibition takes place in just over two months' time.

Once again, ITCO is organising the **Tank Container Village** within the event – and this year our presence will be stronger than ever.

All 24 booths in the ITCO Village have been sold – and we are expecting a busy three days, where visitors and exhibitors can meet to discuss business opportunities.

ITCO Members, prospective Members, customers and industry colleagues are warmly invited to visit the exhibition stands and meet their business partners.

The Event takes place from **Thursday 25 to Thursday 27 June 2024**, at the Shanghai New International Expo Centre (SNIEC).

Further visitor information is available on: <http://www.transportlogistic-china.com/trade-fair/visitors/ticket/>



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2024 GLOBAL TANK CONTAINER FLEET SURVEY

ITCO Work Groups

ITCO continues to undertake a number of projects, frequently through its Work Groups. These Work Groups are set up to develop recommended standards and operational procedures, resulting in publications and Technical Guidance documents which are published on the ITCO Website.

There are currently two active Work Groups:

- ITCO Efficiency Work Group, - “Digital Twin” – to develop digital transformation and standardization in ISO tank operations
- Development of a global ITCO Tank Container Depot Audit Scheme

Updates on these Work Groups will be presented at the Rotterdam Depot Meeting – and published in the next newsletter.

Global tank container fleet reaches 848,400 units

ITCO has published its 12th Annual Tank Container Fleet Survey. This year’s Survey estimates that, at 1 January 2024, the global tank container fleet had reached 848,400 units worldwide, compared to the figure of 801,800 on 1 January 2023, a year-on-year growth of 5.81%.

Reflecting continued strong demand for new equipment, approximately 56,600 new tank containers were built, compared to 67,865 new units in the previous year – and 53,285 in 2022. However, with an increase in the number of tanks being scrapped, or sold out of the industry, the overall growth in the global fleet is 46,600 units.

The complete Survey can be downloaded from the ITCO website – click on <http://www.itco.org>.

The Survey shows how, numerically, the industry continues to be dominated (on a global level) by a relatively small number of major tank container operators and leasing companies.

The top 10 tank container operators account for over 297,000 tanks, representing over 50% of the global tank container operators’ fleet. The top 10 leasing companies account for 317,740 tanks, representing about 85% of the total leasing fleet.

www.itco.org



MARKETUPDATE

In addition to our general ITCO Update and our Technical Report, we are now introducing a new "Market Update" section in the monthly ITCO Newsletters

Antwerp Declaration

Although ITCO is clearly a Global organization, the focus this month will be on Europe. We cannot ignore the Antwerp Declaration, and its impact will have on both the European Parliament and the European Commission, and eventually global trade.

We need to recognize that the European chemical sector has been shrinking, and is currently in its biggest trough since 2009. In the case of 2009 the industry bounced back as a result of the impact of Chinese demand, and China's entry into the WTO. This time we are facing low demand, and the direct impact of Chinese self-sufficiency.

The Antwerp Declaration has presented politicians with a call for action, rather than a 'wait and see' option. There is a need for a course change, recognizing a fundamental change in demand patterns, a demographic shift, and the need for transformation.

Paul Hodges recently described it very succinctly: ***Will Europe simply become a destination for Middle Eastern, Chinese, and US Gulf surplus product...a dumping ground for cheap product, or will Europe take advantage of smaller, local plants, serving a niche market, exploiting a potential circular economy, and driving a local-for-local ecosystem?***

Germany is a case in point - a country facing high energy and transmission costs, and an economy challenged in many respects (chemical, automotive, solar, electronics etc etc) by the US, Middle East, and China. Even in the case of the traditional 'Verbund' model, BASF must be considering the alternatives of a realigned footprint between integration and imported raw materials.

Carbon Management

It appears that carbon management is quickly emerging as a strategic imperative. Recent US conference panel discussions suggest that investment must be balanced against the need to decarbonize production processes and energy inputs. "The problem is emissions, not energy or chemical production," said Karen McKee, president of ExxonMobil Product Solutions. Perhaps a tad simplified...at least from your President's perspective.

The management of CO2 emissions may have become as important as feedstock advantage, production technology, market access and integration, Mark Eramo, global head/ fuels, chemicals & resource solutions, said at the World Petrochemical Conference by S&P Global in Houston. "I would say that for the last 10 years, there's been a model of build low-cost and ship to high-demand regions," said Eramo. "Today we're saying that now there's a fifth consideration, and that is, how do I provide effective carbon management?"

There are early signs of how this is playing out. Dow's decision to build the world's first net-zero cracker was in big part driven by access to the Alberta Carbon Trunk Line (ACTL). Similar investment in the US will require development of carbon capture and sequestration and pipeline infrastructure that companies such as ExxonMobil and Chevron are evaluating on the US Gulf Coast.

More on the Dow net-zero cracker: Chemical demand is stabilizing in early 2024, Dow Inc. chairman and CEO Jim Fitterling said in an interview at the World Petrochemical Conference by S&P Global in Houston. He also said that construction of Dow's net-zero Alberta cracker will begin soon, and the company hopes to pursue similar net-zero ethylene investment in the US. "We've ended the year in December fairly strong and began the year in a pretty good spot," Fitterling said. "It's picking up a little bit from there." Exports from the US remain strong in early 2024, particularly polymers, he said.

Source: Chemical Week (www.chemicalweek.com)

ITCO Technical Report - RID-ADR Joint Meeting

(a) Dual Specification Tanks (RID-ADR 6.7 and RID-ADR 6.8)

This subject may affect many global tanks because - even if the tank is not operating within (mostly European) RID-ADR territories - tanks that are dual approved might require modification.

The modification, which would take place during periodic inspection and test, involves removal of markings from the tank and data plate. It is estimated that the total industry cost could accrue to €24 million, if half the global fleet is dual approved and the present proposal is not amended.

ITCO is addressing the subject through the channels of RID-ADR and it is keeping our members informed.

Whereas many tanks are dual approved for the purpose of versatility of use in Europe, in practice it is estimated that few of the tanks, notwithstanding swap tanks, utilise the 6.8 approval. For many tank owners, the problem is primarily about the cost of modification but for some, there is also a cost of the loss of versatility.

The last three RID-ADR have addressed the subject and in addition two intersessional meetings organised by ITCO. ITCO have presented 3 papers to the meetings.

Regulators have not been able to identify tangible reasons for the elimination of joint approval other than indicating that there "some" AIB's (which are approved by the competent authorities attending the RID-ADR meetings) might not meet all the RID-ADR requirements, bizarre that this might seem.

No safety issues were indicated or identified.

The net result of the meetings so far is that the complexity of the elimination is accepted. Moreover, there needs to be pre-harmonisation of 6.7 and 6.8 in so much as a 6.7 tank would be able to transport those same substances with the same valve configuration as a 6.8 tank.

Further meetings are required. ITCO will be organising intersessional meetings for the purpose of identifying the

detail of regulation that require to be harmonised.

ITCO members are urged to engage with the planned intersessional meetings.

It was agreed that additional intersessional meetings should take place and focus on the identification of all the issues and consequences that may arise from such a complex change. It was suggested that these meetings should develop a list of issues that need to be addressed in order to enable a smooth transition for industry if dual approval should no longer be permitted.

(b) 2024/1 - Inspection of tanks for which the specified date for the intermediate inspection has passed (UIP)

The text is proposed to be changed to clarify that either a 2.5-yr intermediate or a 5-yr periodic may be undertaken:

"If the specified date of the intermediate inspection has passed, an intermediate inspection shall be performed or alternatively a periodic inspection may be performed in accordance with 6.8.2.4.2."

(c) 2024/8 New transitional measures for portable tanks in 6.7 T50

Because of changing "degree of filling" to "maximum allowable mass of gas filled" EIGA reported that in most cases, the space on the current tank plates is limited and a completely new tank plate would have to be applied in cooperation with a notified body.

This small text change results in considerable cost to industry.

The meeting agreed that a transitional measure has already been adopted by the UN Sub-Committee of Experts on the Transport of Dangerous Goods that allows existing portable tanks with the old marking to continue to be used. A transitional measure in RID/ADR is proposed for harmonisation purposes.

(d) INF.10 Siting of pressure-relief devices and of the inlet of safety valve requirements in accordance with 6.7.3.11.1 and 6.8.3.2.9.4 of RID/ADR

It was proposed to amend the first sentence in 6.8.3.2.9.4 of RID/ADR to read:

"Each safety valve inlet shall be situated on top of the shell in a position as near to the transverse centre of the shell as close as reasonably practicable to the top generating line."

2. UN ECOSOC Sub-Committee of Experts on the Transport of Dangerous Goods (64th session)

The meeting takes place week of 24th June. To date, no UN Portable Tank papers have been submitted.

3. IMO - Sub-committee on Carriage of Cargoes and Containers.

The next meeting CCC10 takes place in the week commencing 20.09.2024. No papers relating to tanks have been submitted to date.

At the last CCC9 meeting at 09.2023, no specific portable tank papers were submitted.

CCC9/6/2 considered 4.2.1.9.3 substances and to replace portable tank special provision TP1 with TP2 (maximum degree of filling). The proposal was referred to UN Dangerous Goods Meeting.

CCC9/Inf/2 considered MSC.1/Circ.1649 which requires port inspections of containers, including portable tanks. Of the 51,330 CTUs inspected, 4,024 (7.84%) were found to exhibit deficiencies. CCC9, urged more port inspection in 2024, probably a few more tanks will be inspected.

4. IMO CCC 9 Editorial and Technical

The meeting held in the week commencing 26.02.24 had no papers relating to tanks.

Quiz Questions

Q.1 Which of the following tanks tank is permitted to be used for transporting DG substances within Europe:

- a) RID-ADR 6.8 Tank container
- b) RID-ADR 6.7 UN Portable Tank
- c) IMDG 6.7 UN Portable Tank

Q.2 Which of the following tanks tank is permitted to be used for transporting DG substances at sea:

- a) RID-ADR 6.8 Tank container
- b) RID-ADR 6.7 UN Portable Tank
- c) IMDG 6.7 UN Portable Tank

Q.3 Which European regulations need to be considered on the land leg of an IMDG 6.7/4.2 DG transport

- a) RID-ADR 6.8 Tank container
- b) RID-ADR 6.7 UN Portable Tank
- c) Road weight regulations
- d) ADR Dangerous Goods Advisor

Q.4 Where within the IMDG Code is the TP (Portable Tank Provision Special Provision) for a given DG substance:

- a) Chapter 6.7 Design construction and inspection
- b) Chapter 4.2 Use of Portable Tanks
- c) Chapter 3.2 Dangerous Goods List

Please send your answers by email to: rubery@itco.org